

**CITY OF TAKOMA PARK
GENERAL FUND
FINANCIAL REPORT
FOR THE SIX MONTHS
ENDED DECEMBER 31, 2005**

EXECUTIVE SUMMARY

The General Fund supports the day-to-day activities of the City, such as police protection, street and park maintenance, and general administrative functions. The General Fund's activities are supported primarily from two sources: taxes and utility fees and intergovernmental revenues.

Certain General Fund revenues are cyclical in nature. For example, property tax receipts and tax duplication payments are received during a certain period of time during the year. Other revenue sources are received on a monthly basis and, as a result, are more evenly distributed throughout the fiscal year.

The largest single source of revenue for the City's general operations is real property taxes. Total collections as of December 31, 2005 totaled \$4,833,909, an increase of \$328,922 from the prior year. Revenues from personal property taxes were up by \$41,509.

Police protection (state) revenues as of December 31, 2005 increased by \$44,380 compared to the prior year. The increase is partially attributable to the Community Center construction. Expenditures related to the public safety portion of the facility were taken into account in determining the State's funding level.

Revenues from highway user fees increased by \$36,633 compared to collections for the same period in the prior year. Income tax receipts were up by \$29,053.

On a comparative basis, it is also important to note the increase in tax duplication payments received from Montgomery County. Revenues from the various duplication payments increased \$359,508 from the prior year.

In FY05, the City borrowed \$2,005,000 for street rehabilitation. The loan proceeds were received during the first quarter of the fiscal year.

Like General Fund revenues, not all fund expenditures occur evenly throughout the fiscal year. For example, contributions to the City's two pension plans are made in December. This can result in "peaks" in expenditures at certain times during the fiscal year.

General Fund expenditures as of the close of the second quarter totaled \$8,181,013 compared to \$7,442,486 in FY05. The majority of the variance is attributable to increased personnel-related expenditures in the current fiscal year.

Some variances reflect a different accounting methodology for certain expenditures. For example, expenditures related to the City Clerk's Office are accounted for in a newly created division within the General Government Department. The cost of maintaining the City's gardens, previously accounted for in the Urban Forest Division of Public Works, is now reflected in a separate departmental division. Additionally, car and clothing allowances for all police personnel were previously budgeted in the Office of the Chief. In the FY06 budget, this cost is now allocated to the various departmental divisions.

Expenditures for the Administration Division of Public Works were less than the prior year due to the vacancy in the Public Works Director position. Expenditures in the Right-of-Way Division were down as of December 31, 2005. This was partially attributable to lower costs for snow removal in the current fiscal year.

The position of Grants Manager became vacant during FY05. The position was not filled for the remainder of the year and was subsequently eliminated. Department heads are now responsible for administration of grants received by their departments, with oversight provided by the City Manager and the Finance Department.

Other significant variances occurred in non-departmental expenditures and capital outlay. Non-departmental expenditures were less than in the prior fiscal year due to reduced costs for liability insurance. The City received a credit based on its claims experience in past years, which was applied as an offset to premium in FY06; the City will receive a credit for the next two years as well. Capital outlay expenditures are significantly higher in FY06 compared to the prior year due to the expenditure of street loan proceeds.

**GENERAL FUND REVENUES
FOR THE SIX MONTHS ENDED
DECEMBER 31, 2005**

REVENUES BY SOURCE:	Budgeted FY 2006	Actual To Date	Uncollected Revenue	% Collected	Prior Year Actual To Date	Change from Prior Year
<u>Taxes and Utility Fees</u>						
Real Property	7,247,406	4,833,909	2,413,497	66.70%	4,504,987	328,922
Personal Property	367,425	205,335	162,090	55.88%	163,826	41,509
RR and Public Utilities	159,750	(7)	159,757	0.00%	0	(7)
Penalties and Interest	32,000	7,966	24,034	24.89%	5,798	2,168
Admission and Amusement	100	0	100	0.00%	0	0
Additions and Abatements	0	(26,758)	26,758	n/a	(13,618)	(13,140)
Highway	598,158	222,021	376,137	37.12%	185,388	36,633
Income Tax	1,571,000	515,958	1,055,042	32.84%	486,905	29,053
Total--Taxes and Utility Fees	9,975,839	5,758,424	4,217,415	57.72%	5,333,286	425,138
Licenses and Permits	66,854	41,713	25,141	62.39%	11,360	30,353
Fines and Forfeitures	186,000	102,998	83,002	55.38%	86,548	16,450
Use of Money and Property	106,000	87,313	18,687	82.37%	51,226	36,087
<u>Charges for Services</u>						
Inspection Fees	220,000	(3,684)	223,684	-1.67%	(436)	(3,248)
Donations	5,000	100	4,900	2.00%	2,315	(2,215)
Public Parking Facilities	54,000	17,949	36,051	33.24%	13,817	4,132
Waste Collection & Disposal Charges	76,000	(1,687)	77,687	-2.22%	(3,450)	1,763
Recreation Programs and Services	210,000	110,243	99,757	52.50%	109,420	823
Fines--Library	15,000	5,630	9,370	37.53%	5,752	(122)
Total--Charges for Services	580,000	128,551	451,449	22.16%	127,418	1,133
<u>Intergovernmental Revenues</u>						
Police Protection (State)	450,000	238,452	211,548	52.99%	194,072	44,380
Bank Share Tax	5,643	0	5,643	0.00%	0	0
Library Aid	89,670	22,417	67,253	25.00%	22,417	0
Police Rebate	552,183	126,220	425,963	22.86%	113,453	12,767
In Lieu of Police	2,344,286	2,322,023	22,263	99.05%	2,061,318	260,705
In Lieu of Roads Maintenance	430,079	430,079	0	100.00%	339,903	90,176
In Lieu of Parks Maintenance	71,670	71,670	0	100.00%	71,740	(70)
In Lieu of Crossing Guard	130,435	130,435	0	100.00%	121,738	8,697
Takoma/Langley Rec. Agreement	100,000	0	100,000	0.00%	25,000	(25,000)
Hotel Motel Tax	65,000	29,424	35,576	45.27%	26,135	3,289
Cable Franchise Fees	141,932	71,354	70,578	50.27%	75,004	(3,650)
Cable--Operating	59,448	15,007	44,441	25.24%	14,500	507
Total--Intergovernmental Revenues	4,440,346	3,457,081	983,265	77.86%	3,065,280	391,801
<u>Miscellaneous</u>						
Tree Fund	15,000	15,000	0	100.00%	0	15,000
Advertising--Bus Shelters	4,000	0	4,000	0.00%	0	0
Farmer's Market	3,500	0	3,500	0.00%	0	0
Other	29,900	11,375	18,525	38.04%	13,826	(2,451)
Telephone Commissions	200	173	27	86.50%	84	89
Recyclable Sales	1,000	4,214	(3,214)	421.40%	2,861	1,353
Insurance Claims	1,000	4,305	(3,305)	430.50%	22,866	(18,561)
Mulch Sales	12,000	1,685	10,315	14.04%	2,065	(380)
Passport Services	30,000	10,420	19,580	34.73%	11,081	(661)
Takoma Langley Crossroads	3,333	0	3,333	0.00%	0	0
Special Trash Pickup	8,000	4,356	3,644	54.45%	3,443	913
Sales Tax	0	29	(29)	n/a	16	13
WSSC	25,000	0	25,000	n/a	72,253	(72,253)
WAH Administration Fee	26,000	0	26,000	0.00%	0	0
Day Laborer Site	39,000	39,000	0	100.00%	0	39,000
Takoma Foundation Grant	91,947	91,947	0	100.00%	0	91,947
Total--Miscellaneous	289,880	182,504	107,376	62.96%	128,495	54,009
Total Operating Revenues	15,644,919	9,758,584	5,886,335	62.38%	8,803,613	954,971
Bond/Loan Proceeds	0	0	0	n/a	2,005,000	(2,005,000)
Sale of City Property	400,000	0	0	0.00%	0	0
Total Revenues	16,044,919	9,758,584	5,886,335	60.82%	10,808,613	(1,050,029)

**GENERAL FUND EXPENDITURES
FOR THE SIX MONTHS ENDED
DECEMBER 31, 2005**

DEPARTMENT:	Budgeted FY 2006	Expenditures To Date	Available Balance	% Unexpended	Prior Year Actual To Date	Change from Prior Year
<u>General Government</u>						
Legislative	96,400	37,814	58,586	60.77%	28,170	9,644
General Management	734,232	358,764	375,468	51.14%	458,921	(100,157)
Finance	406,350	206,995	199,355	49.06%	279,803	(72,808)
Legal	164,150	57,724	106,426	64.83%	79,556	(21,832)
Information Systems	249,226	136,189	113,037	45.36%	126,862	9,327
Human Resources	113,682	50,602	63,080	55.49%	58,086	(7,484)
City Clerk	176,909	58,107	118,802	67.15%	0	58,107
Total--General Government	1,940,949	906,195	1,034,754	53.31%	1,031,398	(125,203)
<u>Public Safety</u>						
Office of the Chief	326,637	207,871	118,766	36.36%	256,787	(48,916)
Communications	376,492	130,342	246,150	65.38%	163,095	(32,753)
Operations	2,659,609	1,687,109	972,500	36.57%	1,598,319	88,790
Support Services	655,955	309,353	346,602	52.84%	249,812	59,541
Administrative Services	623,688	269,944	353,744	56.72%	303,446	(33,502)
Total--Public Safety	4,642,381	2,604,619	2,037,762	43.89%	2,571,459	33,160
<u>Public Works</u>						
Administration	288,557	121,484	167,073	57.90%	155,379	(33,895)
Building Maintenance	592,380	252,312	340,068	57.41%	254,816	(2,504)
Equipment Maintenance	454,210	211,253	242,957	53.49%	228,339	(17,086)
Right-of-Way	806,150	342,373	463,777	57.53%	438,424	(96,051)
Solid Waste Management	751,213	370,927	380,286	50.62%	374,520	(3,593)
Gardens	149,957	70,123	79,834	53.24%	0	70,123
Urban Forest	219,367	132,939	86,428	39.40%	170,476	(37,537)
City Engineer	173,230	98,459	74,771	43.16%	71,224	27,235
Total--Public Works	3,435,064	1,599,870	1,835,194	53.43%	1,693,178	(93,308)
<u>Recreation</u>						
Administration	341,490	184,083	157,407	46.09%	179,369	4,714
Outreach	191,004	87,247	103,757	54.32%	61,871	25,376
TP Recreation Center	183,286	80,551	102,735	56.05%	93,713	(13,162)
Community Programs	78,633	44,285	34,348	43.68%	38,880	5,405
Athletic Fields/Facilities	73,670	13,468	60,202	81.72%	15,640	(2,172)
Camps	78,643	26,925	51,718	65.76%	59,824	(32,899)
After School Programs	60,761	19,904	40,857	67.24%	22,228	(2,324)
Community Center	101,747	1,354	100,393	98.67%	0	1,354
Total--Recreation	1,109,234	457,817	651,417	58.73%	471,525	(13,708)
<u>Housing & Comm. Dev.</u>						
Administration	108,462	48,821	59,641	54.99%	41,149	7,672
Code Enforcement	300,838	144,110	156,728	52.10%	135,350	8,760
Landlord-Tenant	129,866	58,225	71,641	55.17%	58,233	(8)
COLTA	110,930	44,690	66,240	59.71%	47,740	(3,050)
Community Development	301,652	138,063	163,589	54.23%	119,682	18,381
Grants Management	0	0	0	n/a	48,684	(48,684)
Affordable Housing	125,173	44,703	80,470	64.29%	28,048	16,655
Total--Housing & Comm. Dev.	1,076,921	478,612	598,309	55.56%	478,886	(274)
Media	347,919	174,216	173,703	49.93%	170,267	3,949
<u>Library</u>						
Library	803,147	372,002	431,145	53.68%	368,763	3,239
Computer Learning Center	63,025	5,373	57,652	91.47%	0	5,373
Total--Library	866,172	377,375	488,797	56.43%	368,763	8,612
Debt Service	892,484	354,422	538,062	60.29%	80,812	273,610
Non-Departmental	809,811	193,838	615,973	76.06%	283,512	(89,674)
Capital Outlay	2,102,062	1,034,049	1,068,013	50.81%	292,686	741,363
Total	17,222,997	8,181,013	9,041,984	52.50%	7,442,486	738,527